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Hill Unit Sees No ITT Deal

Report Says Cases Settled On the Merits

By John Chadwick
Associated Press

The Senate Judiciary Committee, in a report urging confirmation of Richard G. Kleindienst's nomination as attorney general, rejects accusations of a political deal in the settlement of antitrust cases against International Telephone & Telegraph Corp.

"Based on the evidence, it is the conclusions of the committee that the settlement was reached on the merits after arm's-length negotiations between representatives of ITT and the Justice Department's antitrust division," the majority report says.

"These negoiations and the settlement of the ITT cases were not the product of political influence or promises of political favor from ITT." It adds.

The committee conducted an extensive investigation after columnist Jack Anderson published a memo purportdely written by ITT lobbyist Dita D. Beard. It linked the out-of-court settlement to a pledge by the huge conglomerate's Sheraton Hotel subsidiary to the city of San Diego to help underwrite the expenses of the 1972 Republican National Convention.

Previously the committee had unanimiuolsy approved Kleindienst's nomination, but it reopened its hearings at his request.

In a report to be filed Friday in the Senate, the committee concludes that Kleindienst, who was deputy attorney general at the time, "acted properly in the conduct of his office in the matter of the settlement of these cases."

A copy of the report, circulated among committee members, was obtained by The Associated Press.

The committee voted 11 to 4 on April 27, after its second round of hearings, to reaffirm its original recommendation that the Senate confirm Kleindienst's nomination to succeed John N. Mitchell.

A minority report is to be filed by senators who dissented from the committee's recommendation.

The majority, besides finding no evidence to support the charge of a political deal in the settlement of the antitrust cases against ITT, also concludes.

- That Kleindienst did not mislead the committee about his contacts with White House aide Peter M. Flanigan on the ITT case.
- That there was nothing

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improper or irregular about the way in which a financial analysis was obtained from a Wall Street investment banker, Richard J. Ramsden, on the effects of a forced divestiture of Hartford Fire Insurance Co. by ITT.

- That Kleindienst's handling of an investigation of U.S. Attorney Harry Steward in San ment's Criminal Division.

"We find no reason to alter our earlier recommendation that the nomination be confirmed," the majority said. "It is our opinion that Mr. Kleindienst is thoroughly qualified to serve as attorney general of the United States."

Kleindienst's nomination is expected to be taken up in the Senate late next week or the first of the following week. Opponents say they plan extended debate but not a filibuster.

The committee's majority said that in its eight weeks of hearings "sensational charges . . . frequently blurred the only issue before the committee"—Kleindienst's fitness to serve as attorney gneral.